

# Memorandum

435.1300

To: Mr. X----- (LJM)

Date: November 1, 1951

From: R. G. Hamlin

Subject: X-----

You have inquired whether a deduction taken by this taxpayer for quilting charges is proper.

Based on our limited knowledge of quilting it is our conclusion that it constitutes a step in the producing, fabricating, or processing of tangible personal property. Accordingly, in our opinion, charges for quilting should not be deducted from the taxpayer's gross receipts.

RGH:ja